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## **Governor's Office of Economic Development Signs Memorandum of Agreement with USDA Rural Development California to Help Speed Up Economic Recovery**

SACRAMENTO- The Governor's Office of Economic Development (GoED) today signed a Memorandum of Agreement (MOA) with the U.S. Department of Agriculture's Rural Development California State Office at the agency's All Employees Conference in Santa Cruz. The MOA discusses the challenges the economic downturn has created for California and the opportunity to work collaboratively and strategically between state and federal agencies to speed up the state's economic recovery.

"Today's action will, among other things, create partnerships; facilitate economic and infrastructure development in rural areas; and encourage the development of sustainable rural communities in our state," said director Joel Ayala. "The Governor created this office to help businesses start and grow in California, and today's action does just that."

California is a leader in agricultural production and innovation. In 2008, agricultural exports represented \$13 billion.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development, and supports the creation of critical community and technology infrastructure through a wide variety of loan, grant and guaranteed loan programs.

"There are a lot of families, businesses and communities hurting right now in California, and more than ever it is vital that we do everything possible to help move our economy forward and support economic development," said USDA Rural Development State Director Glenda Humiston. "Today's agreement with the Governor's new Office of Local Economic Development is a great step toward that goal."

The MOA calls for the following: Create and maintain cooperative working relationships; facilitate joint planning and evaluation of services; facilitate economic and infrastructure



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development in the rural areas of California; encourage development of sustainable rural communities; develop local and regional initiatives that are reproducible throughout California; and seek to best utilize available financial and human resources to further these goals. USDA California Rural Development has \$750 million in American Recovery and Reinvestment Act and Farm Bill funding for rural programs that include housing, community facilities, utilities, broad band, health care, business opportunities and other services to California's rural communities.

The full text of the MOA is below:

**Memorandum of Agreement between USDA Rural Development California State Office and California Governor's Office of Economic Development**

Whereas, there are more than 425,000 rural jobs in California; and

Whereas, California farm gate receipts are greater than \$36 billion; and

Whereas, California is the nation's number one state in farm gate production value; and

Whereas, more than 5 million people live in rural California; and

Whereas, job creation and retention are critical to rural California's economic well-being and quality of life; and

Whereas, in 2009, the United States confronted the most severe economic downturn since the Great Depression; and

Whereas, California was especially hard hit by the global financial crisis, and while the recovery has begun, economic growth remains modest and high unemployment persists; and

Whereas, unemployment in California stood at 12.5 percent as of February 2010 and is significantly higher in many rural areas; and

Whereas, it will take aggressive action on the part of both the federal and state governments, working in conjunction with the private sector, to ensure that California leads the recovery; and

Whereas, good jobs enable Californians to achieve their potential and contribute to the economic performance of the State; and

Whereas, California has led the world in innovation as the agriculture capital of the world;

Whereas, USDA Rural Development is the lead federal agency that funds projects to bring housing, community facilities, utilities, business opportunities and other services to California's rural communities; and

Whereas, the California Governor's Office of Economic Development is the State's lead entity for economic development coordination with all public and private entities,

Therefore, it is agreed that:



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This Memorandum of Agreement confirms the commitment of the USDA Rural Development California State Office and the California Governor's Office of Economic Development to work in partnership with each other and other diverse stakeholders as appropriate to:

- Create and maintain cooperative working relationships;
- Facilitate joint planning and evaluation of services;
- Facilitate economic and infrastructure development in the rural areas of California;
- Encourage development of sustainable rural communities;
- Develop local and regional initiatives that are reproducible throughout California; and
- Seek to best utilize available financial and human resources in furtherance of these goals.

This Memorandum of Agreement is not intended to create any legally binding rights or obligations, and will not be enforceable in any court of law in the United of America or the State of California. The parties commit themselves in good will to implement this Memorandum of Cooperation to the fullest possible extent practicable, subject to their own legal and budgetary constraints, and subject to any policy they may adopt.

SIGNED in Santa Cruz, California USA, April 20, 2010

Robert Tse  
Deputy Director International Trade  
California Governor's Office of Economic Development

Dr. Glenda Humiston  
California State Director  
USDA Rural Development

